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The _____ MICHIGAN GAMING _____ Newsletter



SPORTS WAGERING UPDATE: SUPREME COURT DECISION?

The United States Supreme Court's decision in *Christie v. National Collegiate Athletic Association* ("NCAA"), the case challenging the constitutionality of the federal Professional and Amateur Sports Protection Act of 1982 ("PASPA"), could be issued as early as Monday, April 2. Oral arguments were held in the case in December. The Court's session ends in June, and Monday of next week or alternatively April 30th are viewed as likely days that the decision could be released by various Supreme Court commentators. People interested in monitoring the issuance of the Court's opinion should visit <http://www.scotusblog.com/> at 9:30 a.m. on Monday, April 2. An alternative source is the Court's website <https://www.supremecourt.gov/opinions/slipopinion/17>.

In advance of the Court's decision the gaming industry and sports leagues have been actively seeking to establish regulatory system in several key states. As the legislative debate unfolds in states from New York to Kansas, the NBA and MLB have been actively advocating an "integrity fee" that would be paid to the leagues in connection with the authorization of legal sports wagering. Initially the leagues were supporting a 1 percent fee, however, as the debate has evolved legislative proposals have seen a reduction in the fee to .25 percent. Industry operators that would operate sports books are focused on the regulatory structure along with the overall wager tax rate. Unlike other forms of wagering where the casino can establish the house advantage, sports wager offerings carry significantly more risk for the operator. Therefore, if a state legalizes sports wagering, a different gaming tax structure will be required as the standard wagering tax established in most states would make the business model impractical.

GUN LAKE CASINO APPOINTS NEW GENERAL MANAGER

Gun Lake Casino announced that Eric Althaus will serve as general manager and VP for Gun Lake Casino in Wayland. His appointment will be effective immediately. Mr. Althaus will be succeeding Brent Arena in the role.

The new appointment follows the end of the casino's management contract with MPM Enterprises, a joint venture owned by an affiliate of Station Casinos and a group of Mount Pleasant-based investors.

"It's an exciting time for Gun Lake Casino," Mr. Althaus said. "I'm proud to be entrusted with the task of leading the team to continued success."

Althaus will manage the daily operations of the casino, including internal and external guest service, oversight of the property financials and internal controls.

Althaus has 27 years of experience in the casino business, which includes management positions at casinos in Mississippi, Missouri and Louisiana. He previously served Gun Lake Casino as the director of table games, assistant general manager and most recently, interim general manager.

"As a day-one team member, Eric has been key to the growth and development of the casino," said Sal Semola, president and CEO, Gun Lake Casino. "This appointment to general manager is well-deserved."

GRAND TRAVERSE TRIBE ELECTION NEXT WEEK MAY BE A REFERENDUM ON CASINO PROJECT

According to a report on Interlochen Public Radio this week, on Tuesday, April 3, members of the Grand Traverse Band of Ottawa and Chippewa Indians will vote in a tribal election. The tribe will be choosing new candidates for the tribal council,

narrowing the field down from a total of 17 candidates to 6 who will participate in a subsequent general election. They will also be asked whether to recall Tribal Chairman Thurlow "Sam" McClellan.

In an interview on the radio station, reporter Eric Carlson of the Leelanau News stated that a number of tribal elders are behind the recall effort. He said that the vote has much to do with the plans for a new casino in Peshawbestown rather than other allegations contained in the petition.

According to Mr. Carlson, McClellan has been an outspoken critic of the Tribal Council's plan to build a new casino. McClellan says the Peshawbestown casino has lost \$1.8 million over the last year and has been losing money for the last several years. McClellan has also said that many tribal business endeavors have failed, and opening a new casino is a bad idea.

Carlson said that the seven-member council is often split, with four votes going one way and three going the other.

"In essence, the recall and the upcoming election of Tribal Council members is going to be a referendum on whether the tribe should move forward on this [casino] project," Carlson said on the radio broadcast.